

October 31, 2012

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Application of South Carolina Electric & Gas Company for Increases and Adjustments in Electric Rate Schedules and Tariffs and Request for Mid-Period Reduction in Base Rates for Fuel

Docket No. 2012-218- **AARP Data Requests to ORS and SCE&G**

Dear Ms. Boyd:

Attached herewith for electronic filing please find the Second Data Requests to SCE&G by AARP and the First Data requests to ORS by AARP in the above referenced matter. By copy of this letter I am serving all parties of record to this matter. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,


Stephen R. Suggs

cc: Nanette S. Edwards
K. Chad Burgess
Frank Knapp, Jr.
H. Mark Hamlet
Ellen M. Evans
Scott Elliott
Derrick Price Williamson

October 31, 2012

K. Chad Burgess
South Carolina Electric & Gas Company/SCANA Corporation
220 Operation Way - MC C222
Cayce, SC 29033-3701

RE: Application of South Carolina Electric & Gas Company for Increases and Adjustments in Electric Rate Schedules and Tariffs and Request for Mid-Period Reduction in Base Rates for Fuel

Docket No. 2012-218-E: Second Data Requests of AARP

Dear Chad:

Attached herewith please find the Second Data Requests to SCE&G by AARP in the above referenced matter. Please feel free to give me a call if you have any questions or wish to discuss these requests.

Sincerely,

Stephen R. Suggs

cc: Nanette S. Edwards
Frank Knapp, Jr.
H. Mark Hamlet
Ellen M. Evans
Scott Elliott
Derrick Price Williamson

October 31, 2012

Nanette S. Edwards
Office of Regulatory Staff
1441 Main Street Suite 900
Columbia, South Carolina 29201

RE: Application of South Carolina Electric & Gas Company for Increases and Adjustments in Electric Rate Schedules and Tariffs and Request for Mid-Period Reduction in Base Rates for Fuel

Docket No. 2012-218-E: First Set of Data Requests of AARP

Dear Chad:

Attached herewith please find the First Data Requests to ORS by AARP in the above referenced matter. Please feel free to give me a call if you have any questions or wish to discuss these requests.

Sincerely,

Stephen R. Suggs

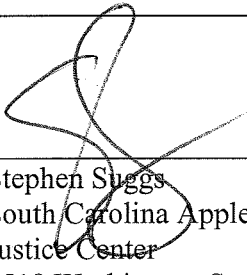
cc: K. Chad Burgess
Frank Knapp, Jr.
H. Mark Hamlet
Ellen M. Evans
Scott Elliott
Derrick Price Williamson

CERTIFICATE OF SERVICE

I hereby certify that a copy of the **First Data Requests to ORS and Second Data Requests to SCE&G on behalf of AARP**, in Docket No. 2012-218-E has been served on this 31st day of October, 2012 by electronic mail addressed to the parties of record as follows:

Nanette S. Edwards Office of Regulatory Staff 1441 Main Street Suite 900 Columbia, South Carolina 29201 nsedwar@regstaff.sc.gov	K. Chad Burgess South Carolina Electric & Gas Company/SCANA Corporation 220 Operation Way - MC C222 Cayce, SC 29033-3701 chad.burgess@scana.com
Frank Knapp, Jr. 1717 Gervais Street Columbia, SC 29201 fknapp@knappagency.com	H. Mark Hamlet Hamlet and Associates, PLLC 2601 Irongate Drive, Suite 101 Wilmington, NC 28412 mhamlet@hamletandassociates.com
Ellen M. Evans Department of Navy Navy Litigation Office 720 Kennon St., Bldg. 36, Room 233 Washington Navy Yard, DC 20374-5013 Phone: 202-685-1931 ellen.evans@navy.mil	Scott Elliott Elliott & Elliott, P.A. 1508 Lady Street Columbia, SC 29201 selliott@elliottlaw.us
Derrick Price Williamson Spilman Thomas & Battle, PLLC 1100 Bent Creek Blvd., Suite 17050 Mechanicsburg, PA 17050 dwilliamson@spilmanlaw.com	

This 31st day of October, 2012



Stephen Suggs
South Carolina Appleseed Legal
Justice Center
1518 Washington Street
Columbia, SC 29201
Tel No. (803) 779-1113, ext. 100
Fax No. (803) 771-5951

SC PSC Case No. 2012-218-E

First Set of Data Requests from AARP to Office of Regulatory Staff

October 31, 2012

- AARP-ORS-1. Refer to the Direct Testimony of ORS witness Michael Seaman-Huynh at page 7 concerning increases to the Basic Facilities Charge (BFC), page 12 concerning residential bill impacts, and to Exhibits MSH-1 through MSH-3.
- a) Please provide the Excel files that were used to produce Exhibits MSH-1 through MSH-3.
 - b) Referring to Exhibit MSH-3, was a Duke Schedule RS Basic Facilities Charge \$7.29 per month and a Progress Schedule RES Basic Facilities Charge \$6.50 per month used to produce the total bill amounts on Exhibit MSH-3?
 - 1) If not, please identify what Duke Schedule RS and Progress Schedule RES Basic Facilities Charges were used to compute the total bill amounts on Exhibit MSH-3, and what was the source for those BFC amounts?
 - c) How did ORS determine that SCE&G Rate 8 was similar to Duke Schedule RS and Progress Schedule RES? Explain.
 - d) What Duke residential rate schedules does ORS believe are comparable with SCE&G residential rate schedules 1, 2 and 6?
 - e) What Duke residential rate schedules does ORS believe are comparable with SCE&G residential rate schedules 5 and 7?
 - f) What Progress residential rate schedules does ORS believe are comparable with SCE&G residential rate schedules 1, 2 and 6?

- g) What Progress residential rate schedules does ORS believe are comparable with SCE&G residential rate schedules 5 and 7?
- h) Did ORS consider that the current SCE&G BFC charges (stated to be \$8.50 for SCE&G Residential Rate Schedules 1, 2, 6 and 8, and \$12.50 for Residential Rate Schedules 5 and 7) are already so much higher than the BSCs for comparable residential rate schedules of Duke and Progress?
 - 1) If not, explain fully why not.
 - 2) If so, how was that considered by ORS in developing its proposed residential rates.
- i) Does ORS agree that increases in fixed charges such as the BSC produce higher percentage rate increases for the residential customers who have the lowest electric usage? If not, explain fully why not.

AARP-ORS-2. Page 7, lines 16-18, of the Seaman-Huynh testimony states that: "ORS recommends any increase in the BFC for the residential tariffs be limited to \$0.50 or less." How would the ORS recommended rate design and typical residential bill impacts be different if (for some reason, such as the already high BFCs charged by SCE&G) it were determined that there should be no increase in the Residential BFCs in the current case? Please explain and show calculations.

AARP-ORS-3. If it were determined that the SCE&G pilot eWNA should be discontinued at some point, such as in the current SCE&G rate case, what recommendations would ORS have to accomplish an orderly wind-down of the eWNA? Explain fully.

SC PSC Case No. 2012-218-E

Second Set of Data Requests from AARP to SCE&G

October 31, 2012

- AARP-2-1. Refer to the response to ORS 1-80 (2).
- a) Show in detail how the \$9,844,057 Manufacturer's Deduction amount for SCE&G Electric was determined and provide supporting calculations.
 - b) Show in detail how the \$11,237,700 SCE&G Electric amount for "Adjustments Recorded for Prior Years" was determined and identify, quantify and explain each prior year item that was included in that amount.
 - c) Was the \$11,237,700 SCE&G Electric amount for "Adjustments Recorded for Prior Years" determined by applying a federal income tax rate to any prior year amounts? If so, identify the federal income tax rate used.
 - d) Please reconcile (1) the \$58,544,000 Total Current Federal Income Tax Recorded amount from the response to ORS 1-80 with (2) the amount of Total Current Federal Income Tax Expense that SCE&G has reflected in the determination of its requested jurisdictional base rate revenue requirement for electric utility service in the current case.
 - 1) Identify, quantify and explain each reconciling item.
- AARP-2-2. Refer to SCE&G Exhibit C-2, pages 1 and 2 of 4, line 7, Total Income Taxes.
- a) How much Manufacturer's Deduction (aka §199 Deduction or Domestic Production Activities Deduction) is reflected in each of the following amounts:
 - 1) The \$130.595 million on page 1, line 7 in the Regulatory Per Books column?

- 2) The \$77.750 million Total As Adjusted amount on page 1, line 7?
 - 3) The \$80.426 million Retail As Adjusted amount on page 2, line 7?
 - 4) The \$138.113 million Total After Proposed Increase amount on page 2, line 7?
- b) Please provide calculations showing how the Manufacturers Deduction amounts for each Income Tax Expense amount item in part a were derived.
 - c) If different from the response to part b, provide calculations showing how the Income Tax Expense impacts of the Manufacturers Deduction from part a were derived.

AARP-2-3. Please reconcile the Manufacturer Deduction amounts shown in the response to AARP 1-76 for 2011 to the \$9,844,057 amount shown on the response to OTS 1-80(2) and on page 261, line 24 (Domestic Production Activities Deduction) of the 2011 FERC Form 1. Identify, quantify and explain all reconciling differences.

AARP-2-4. Please reconcile the Manufacturer Deduction amounts shown in the response to AARP 1-76 for 2010 to the \$7,038,346 amount shown on page 261, line 25 (Domestic Production Activities Deduction) of the 2010 FERC Form 1. Identify, quantify and explain all reconciling differences.

AARP-2-5. Please reconcile the Electric and Total "Adjustments Recorded for Prior Years" amounts of \$11,237,700 and \$9,089,700, respectively, from the response to OTS 1-80(2) with the "Adjustments for Prior Years" amount of \$6,630,100 from the 2011 FERC Form 1, page 261, line 32. Identify, quantify and explain all reconciling differences.

AARP-2-6. Please refer to the following table and explain the reconciling items for the difference between the 2011 FERC Form 1 amounts for Electric Utility Income Taxes and the \$130,595,000 Regulatory Per Books amount on Exhibit C-2, page 1 of 4, line 7:

Description	Account	Electric	2011 FERC Form 1, pages 114-115, column (g), line no.
Federal Income Taxes	409.1	\$ 58,544,000	15
Other Income Taxes	409.1	\$ 10,848,700	16
Provision for Deferred Income Taxes	410.1	\$ 240,046,480	17
Provision for Deferred Income Taxes-Credit	411.1	\$ (148,955,932)	18
Investment Tax Credit Adj.-Net	411.4	\$ (25,804,500)	19
Subtotal		\$ 134,678,748	
Total Income Taxes, Regulatory Per Books		\$ 130,595,000	Exhibit C-2, page 1, L.7
Difference		\$ 4,083,748	

- AARP-2-7. Identify, quantify and explain each reconciling item.
- AARP-2-8. Is any prior year Manufacturer Deduction amount included in the "Adjustments for Prior Years" amount of \$6,630,100 from the 2011 FERC Form 1, page 261, line 32? If so, please identify the prior year Manufacturer Deduction amount, and show how it was included in deriving the \$6,630,100.
- AARP-2-9. Is any prior year Manufacturer Deduction amount included in the "Adjustments for Prior Years" amount for Electric of \$11,237,700 on the response to ORS 1-80(2)? If so:
- List the prior year Manufacturers Deduction amounts included,
 - Identify to what prior years they pertain, and
 - Show in detail how they were calculated.
 - Also show in detail what else comprises the \$11,237,700 "Adjustments for Prior Years" amount for Electric.
- AARP-2-10. If the pilot eWNA program were to be discontinued, what specific recommendations would SCE&G have for an orderly wind-down of the pilot eWNA? Explain fully.
- AARP-2-11. What is the most current eWNA cumulative impact (similar to the impacts shown through March 2012, from page 6 of SCE&G's May 2, 2012 Electric WNA Update Allowed Ex Parte Communication Briefing to the Commission)?
- AARP-2-12. Provide the monthly eWNA revenue requirement impacts by month for April through October 2012 (similar to the impacts shown through March 2012, from page 6 of SCE&G's May 2, 2012 Electric WNA Update Allowed Ex Parte Communication Briefing to the Commission).